

CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505

5 MAR 1975

DDI-621-75
Mr. Robert H. Kupperman
Chief Scientist
U.S. Arms Control and Disarmament
Agency
Washington, D. C. 20451

Dear Mr. Kupperman:

Thank you for affording me the opportunity of reading and commenting on the Arthur D. Little, Inc. study on U.S. industrial preparedness for sharp increases in military related production. I agree that the study makes some sobering assertions concerning the ability of U.S. industry to adjust to a national military emergency. The principal conclusions appear to be consistent with the production problems inherent in manufacturing the highly complex weapons that both the US and USSR have been acquiring over the last decade.

While we follow the economics and military programs of foreign countries, we lack the competence on the US economy that would be necessary to offer any detailed comments on the study. The agency with the greatest experience in this area is the Office of Emergency Preparedness. A few years ago we participated in a project they sponsored called the Post Nuclear Attack Study (PONAST), which dealt with the problems of economic recovery following a nuclear exchange between the US and USSR. Although that analysis considered a quite different set of conditions, the study made use of input-output analysis and had to treat many of the same conceptual and data problems that your scenario poses. I would think that the OEP participants in that effort are qualified to critique the Arthur D. Little, Inc. study.

Sincerely,

[Redacted Signature]

Edward W. Proctor
Deputy Director for Intelligence

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